

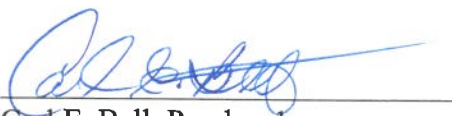
BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2019-17-WS – ORDER NO. 2019-

IN RE: Petition of Carolina Water Service, Incorporated)
 for an Accounting Order to Defer and Record as a) **Certificate of Service**
 Regulatory Asset Certain Operations and)
 Maintenance Expense Caused by Hurricanes)

This is to certify that, I, Carl E. Bell, Paralegal for Terreni Law Firm, LLC, have this 8th day of February 2019, served a copy of the above referenced Petition to Defer and Record to the person(s) named below by electronic mail:

Jeffrey M. Nelson, Esquire
jnelson@regstaff.sc.gov
 Office of Regulatory Staff
 1401 Main Street, Suite 900
 Columbia, South Carolina 29201

Carri Grube-Lybarker, Counsel
clybarker@scconsumer.gov
 Becky Dover, Counsel
bdover@scconsumer.gov
 SC Department of Consumer Affairs
 2221 Devine Street, Suite 200
 Columbia, South Carolina 29205


 Carl E. Bell, Paralegal
 Terreni Law Firm, LLC
 1508 Lady Street
 Columbia, South Carolina 29201

February 8, 2019

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2019-17-WS - ORDER NO. 2019-

Date

IN RE: Petition of Carolina Water Service, Incorporated for an Accounting Order to Defer and Record as a Regulatory Asset Certain Operations and Maintenance Expenses Caused by Hurricanes) ORDER GRANTING) ACCOUNTING ORDER TO) DEFER CERTAIN) OPERATIONS AND) MAINTENANCE EXPENSES
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This matter comes before the Public Service Commission of South Carolina (“the Commission”) by way of the Petition of Blue Granite Water Company (“the Company”), formerly Carolina Water Service, Inc. The Company filed on January 4, 2019, pursuant to S.C. Code Sections 58-3-140, 58-5-210, S.C. Code Reg. 103-830, and other applicable Commission rules and regulations, for an accounting order for regulatory and financial accounting purposes authorizing the Company to amortize, over a period of up to 5 years, \$208,713.59 in extraordinary operations and maintenance expenses incurred as the result of Hurricane Florence and Hurricane Michael beginning on September 21, 2018.

The request for relief within the Petition neither involves a change to any of the Company’s retail rates nor does it require a change in any Commission rule or regulation. Granting relief will not prejudice the right of any party to address the prudence of the costs in a subsequent rate case proceeding. On January 23, 2019, the Office of Regulatory Staff filed a letter stating it does not object to the Company’s request.

According to the Company’s verified Petition, on September 8, 2018, South Carolina Governor Henry McMaster declared a State of Emergency in South Carolina in anticipation of the

impacts of Hurricane Florence (S.C. Exec Order 2018-26) and on September 16, President Trump issued a Major Disaster Declaration for the state of South Carolina (FEMA-4394-DR). On September 24, 2018, Gov. McMaster declared that the State of Emergency remained in effect, having displaced over 37,600 people (S.C. Exec Order 2018-42), and on October 9, 2018, Gov. McMaster issued an order extending the State of Emergency for South Carolina because of the impacts from Hurricane Florence and in anticipation of the potential effects from Hurricane Michael (S.C. Exec Order 2018-48).

During these emergencies, the Company incurred \$208,713.59 in extraordinary operations and maintenance expenses to maintain the integrity of its water and wastewater facilities. The Company submitted a detailed listing of expenses incurred, totaling \$175,237.93 for Hurricane Florence and \$33,475.66 Hurricane Michael. The systems most affected include Friarsgate and Garden Brooke in Lexington County, Forty Love and Farrowood Estates in Richland County, and Lake Wylie in York County. The major components of the costs were incurred due to emergency response contractors pumping and hauling from manholes, pump stations, and sewer plants to prevent sanitary sewer overflows caused by the impact of hurricanes on sewer collection systems and treatment plants. The two largest expenses of \$35,350 and \$31,740 were for rental and delivery of a generator to Friarsgate in Lexington County.

IT IS THEREFORE ORDERED THAT:

1. The Company's request to amortize operations and maintenance expenses not to exceed \$208,713.59 over 5 years (\$41,742.72 annually) incurred responding to Hurricane Florence and Hurricane Michael is granted, and

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2. This Order shall remain in full force and effect until further order of the Commission.

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BY ORDER OF THE COMMISSION:

Comer H. (“Randy”) Randall, Chairman

ATTEST:

Elliott F. Elam, Jr. Vice Chairman